

Message Text

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42

ACTION OPIC-06

INFO OCT-01 AF-08 ISO-00 SSO-00 EB-07 /022 W

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O 251308Z AUG 76

FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC IMMEDIATE 2010

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PASS OPIC

E.O. 11652: N/A

TAGS: OPIC, KE, EFIN

SUBJECT: OPIC MISSION

REF: (A) STATE 168131, (B) STATE 193020

1. ON BASIS CONTINUING CONTACTS WITH GOK, AMERICAN BUSINESS COMMUNITY AND LOCAL TRADE ASSOCIATIONS, EMB RECOMMENDS RESTRUCTING OPIC BRIEFING SUGGESTED IN REFTTEL B AND INVITES OPIC CONCURRENCE.

2. CONCEPT OF INVESTMENT MISSION HAS AROUSED MIXED REACTIONS FROM PROSPECTIVE AUDIENCES. CHAMBER OF COMMERCE MOST ENTHUSIASTIC AND WOULD LIKE TO GIVE TEAM MAXIMUM EXPOSURE TO ITS NAIROBI MEMBERSHIP. MINISTRY OF COMMERCE AND INDUSTRY OFFICIALS (MINISTER, DEPUTY PERMANENT SECRETARY, AND INDUSTRY DIVISION) WERE GENERALLY UNFAMILIAR WITH OPIC AND ITS OVERSEAS PROGRAMS. AGENCY BROCHURES AND EMBOFF DESCRIPTION FAILED TO EXCITE MORE THAN TEPID INTEREST. REASON APPARENTLY, AS EMBOFF WAS PRIVATELY ADVISED BY DEPUTY PERMSEC, IS THAT GOK HAS BECOME JADED BY CONTINUOUS STREAM OF OFFICIAL AND PRIVATE INVESTMENT TEAMS THAT ENGAGE IN PLETHORA OF STUDIES BUT FAIL TO RESULT IN ANY PRODUCTIVE COMMITMENTS. ANOTHER MINISTRY OFFICER EXPRESSED THE VIEW THAT THERE WAS NOTHING ABOUT THE KENYAN INVESTMENT SCENE NOT ALREADY KNOWN TO USG OR READILY AVAILABLE THROUGH PUBLISHED SOURCES. RECENT

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INVESTMENT STUDY PREPARED BY EUROPEAN GROUP OF SEVEN

MISSION -- A SOMEWHAT NEGATIVE SURVEY OF KENYAN OPPORTUNITIES AND BUSINESS CLIMATE - PROBABLY CONTRIBUTED TO GOK ALIENATION ON SUBJECT INVESTMENT MISSIONS. THIS APATHY EXCEEDED OUR ORIGINAL EXPECTATIONS.

3. EMB FEELS OPIC TEAM CAN OVERCOME GOK RELUCTANCE AND DERIVE SOME BENEFITS FROM BRIEFING BY COMING PREPARED TO ASK IN-DEPTH QUESTIONS ABOUT KENYA'S INDUSTRIALIZATION OBJECTIVES AND INCENTIVES. GOK REPS WOULD ALSO APPRECIATE CHANCE TO DISCUSS SPECIFIC PROJECTS IN WHICH U.S. INVESTOR INTEREST COULD BE SOLICITED. AT EMB REQUEST, MINISTRY OF COMMERCE AND INDUSTRY PREPARED PAPER DESCRIBING PARTICULAR INDUSTRIAL PROJECTS "RIPE" FOR FOREIGN INVESTMENT. COPY WAS FORWARDED TO BONNIE HENDERSON THROUGH INTERNATIONAL MAIL AUGUST 23. IN CASE MATERIAL IS DELAYED IN TRANSIT, EMB SUMMARIZING CONTENTS IN SEPTEL.

4. IN ABSENCE STRONG MINISTRY OF COMMERCE DESIRE TO SERVE AS GOK HOST TO OPIC MISSION, EMB ITSELF UNDERTOOK RESPONSIBILITY OF COORDINATING GOK BRIEFINGS. FOLLOWING MINISTRY'S ADVICE AND EMB'S OWN EXPERIENCE WITH INTER-AGENCY MEETING, WE WOULD PREFER TO SCHEDULE SEPARATE BRIEFING AT INDIVIDUAL MINISTRIES AND PARASTATAL ORGANIZATIONS. ALTHOUGH PHYSICALLY AWKWARD FOR OPIC REPS, THIS ARRANGEMENT MORE COMFORTABLY ACCOMMODATES KENYAN NOTIONS OF PROTOCOL AND INCREASES THE CHANCES OF A FRANK, SUBSTANTIVE DISCUSSION. INDIVIDUAL CONTACTS ALSO INCREASE THE LIKELIHOOD OF ATTRACTING SENIOR OFFICERS AS WELL AS WORKING LEVEL PERSONNEL.

5. IF ACCEPTABLE, EMB WOULD PLAN THE FOLLOWING GOK MEETINGS (NOT NECESSARILY IN THIS ORDER):

MINISTRY OF FINANCE AND PLANNING
CENTRAL BNAK
MINISTRY OF AGRICULTURE (INCLUDING ARGICULTURAL DEVELOPMENT CORP.)
MINISTRY OF COMMERCE OF INDUSTRY
INDUSTRIAL AND COMMERCIAL DEVELOPMENT CORPORATION
INDUSTRIAL DEVELOPMENT BANK
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KENYA TOURIST DEVELOPMENT CORPORATION
DEVELOPMENT FINANCE CORPORATION OF KENYA
WE WOULD ALLOT APPROXIMATELY TWO HOURS PER SESSION.

6. IN ORDER TO FIT THIS EXPANDED SERIES OF BRIEFINGS INTO OPIC'S SCHEDULE, EMB SUGGESTS MAKING APPOINTMENTS MONDAY, SEPTEMBER 6. BRIEFING FOR U.S. BUSINESSMEN ALREADY ANNOUNCED FOR A.M. OF SEPT. 7, WHEN CHANCERY

OPEN TO ACCOMMODATE SESSION. FOR SAME REASON, EMBOFFS
BRIEFING COULD ALSO TAKE PLACE THAT MORNING. COMBINED
CHAMBER OF COMMERCE/ASSOCIATION OF MANUFACTURERS BRIEFING
SET FOR A.M. SEPT. 9, COMBINED KENYAN/AMERICAN BANKERS
FOR P.M. SEPT. 9. EMB REQUESTS IMMEDIATE OPIC REPLY
BEFORE MAKING FURTHER DEFINITE APPOINTMENTS.

7. RE LOGISTICAL DETAILS: RESERVATIONS CONFIRMED AT
NEW STANLEY HOTEL SEPT. 5-8 FOR HENDERSON AND SEPT. 5-21
FOR PARNELL. OPIC BROCHERS ARRIVED AT EMB. WE ASSUME EMBOFFS
BRIEFING REQUESTED BY OPIC WILL CONSIST OF TEAM PRESENTATION
TO EMBASSY PERSONNEL AND NOT VICE VERSA. PLS. CLARIFY.

DECONTROL 8-25-77.
MARSHALL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN INVESTMENT, TRADE VISITS, INVESTMENT OPPORTUNITIES
Control Number: n/a
Copy: SINGLE
Draft Date: 25 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976NAIROB09029
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760324-0752
From: NAIROBI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760821/aaaaarxo.tel
Line Count: 130
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 168131, 76 STATE 193020
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 23 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 JUL 2004 by ElyME>; APPROVED <25 OCT 2004 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OPIC MISSION
TAGS: EFIN, KE, OPIC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006